

SENATE MOTION

MR. PRESIDENT:

I move that Engrossed House Bill 1001 be amended to read as follows:

- 1 Page 70, line 10, delete "1,744,282,948 1,835,078,046" and insert "**1,756,325,046 1,876,473,046**".
2 Page 70, line 12, delete "1,257,676,856 1,348,471,956" and insert "**1,269,174,954 1,388,036,954**".
3 Page 103, delete lines 12 through 49.
4 Delete pages 104 through 111.
5 Page 112, delete lines 1 through 3 begin a new paragraph and insert:
6 "SECTION 58. IC 6-1.1-19-1.5 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1,
7 2000]: Sec. 1.5. (a) The following definitions apply throughout this section and IC 21-3-1.7:
8 (1) "Adjusted general fund property tax rate" means the school corporation's actual rate adjusted by the
9 school corporation's assessment ratio as determined by the state board of tax commissioners.
10 (2) "Previous year adjusted general fund property tax rate" means a school corporation's previous year
11 adjusted general fund property tax rate as determined under this section but after the reductions cited
12 in IC 21-3-1.7-5(1); IC 21-3-1.7-5(2); and IC 21-3-1.7-5(3).
13 "Adjustment factor" means the adjustment factor determined by the state board of tax
14 commissioners for a school corporation under IC 6-1.1-34.
15 (2) "Adjusted target property tax rate" means:
16 (A) the school corporation's target general fund property tax rate determined under
17 IC 21-3-1.7-6.8; multiplied by
18 (B) the school corporation's adjustment factor.
19 (3) "Previous year property tax rate" means the school corporation's previous year general fund
20 property tax rate after the reductions cited in IC 21-3-1.7-5(1), IC 21-3-1.7-5(2), and
21 IC 21-3-1.7-5(3).
22 (b) Except as otherwise provided in this chapter, a school corporation may not, for an ensuing calendar year,
23 impose a general fund ad valorem property tax levy which exceeds the following:
24 STEP ONE: Determine the school corporation's target general fund property tax rate under
25 IC 21-3-1.7-6.8;
26 STEP TWO: Subtract the school corporation's previous year general fund property tax rate before the
27 assessment ratio adjustment but after the reductions cited in IC 21-3-1.7-5(1); IC 21-3-1.7-5(2); and

1 IC 21-3-1.7-5(3) from the school corporation's target general fund property tax rate determined under
2 STEP ONE:

3 STEP THREE: Determine the levy resulting from the school corporation's previous year adjusted general
4 fund property tax rate:

5 (A) plus the lesser of:

6 (i) in 1998 only, the STEP TWO result divided by two (2);

7 (ii) the STEP TWO result; or

8 (iii) fifteen cents (\$0.15);

9 if the school corporation's previous year general fund property tax rate before the assessment ratio
10 adjustment but after the reductions cited in IC 21-3-1.7-5(1), IC 21-3-1.7-5(2), and IC 21-3-1.7-5(3)
11 is not more than the school corporation's target general fund property tax rate determined under STEP
12 ONE; or

13 (B) minus the lesser of:

14 (i) the absolute value of the STEP TWO result; or

15 (ii) twenty-five cents (\$0.25);

16 if the school corporation's previous year general fund property tax rate before the assessment ratio
17 adjustment but after the reductions cited in IC 21-3-1.7-5(1), IC 21-3-1.7-5(2), and IC 21-3-1.7-5(3)
18 exceeds the school corporation's target general fund property tax rate determined under STEP ONE.

19 STEP FOUR: Determine the sum of:

20 (A) the STEP THREE amount; plus

21 (B) an amount equal to the annual decrease in federal aid to impacted areas from the year preceding
22 the ensuing calendar year by three (3) years to the year preceding the ensuing calendar year by two
23 (2) years.

24 STEP ONE: Determine the result of:

25 (A) the school corporation's adjusted target property tax rate; minus

26 (B) the school corporation's previous year property tax rate.

27 STEP TWO: Determine the result of:

28 (A) the school corporation's target general fund property tax rate determined under
29 IC 21-3-1.7-6.8; multiplied by

30 (B) the quotient resulting from:

31 (i) the absolute value of the result of the school corporation's adjustment factor minus one
32 (1); divided by

33 (ii) two (2).

34 STEP THREE: If the school corporation's adjusted target property tax rate:

35 (A) exceeds the school corporation's previous year property tax rate, perform the calculation
36 under STEP FOUR and not under STEP FIVE;

37 (B) is less than the school corporation's previous year property tax rate, perform the
38 calculation under STEP FIVE and not under STEP FOUR; or

39 (C) equals the school corporation's previous year property tax rate, determine the levy

1 resulting from using the school corporation's adjusted target property tax rate and do not
2 perform the calculation under STEP FOUR or STEP FIVE.

3 **STEP FOUR: Determine the levy resulting from using the school corporation's previous year**
4 **property tax rate after increasing the rate by the lesser of:**

5 (A) the STEP ONE result; or

6 (B) the sum of:

7 (i) fifteen cents (\$0.15); plus

8 (ii) if the school corporation's adjustment factor is more than one (1), the STEP TWO result.

9 **STEP FIVE: Determine the levy resulting from using the school corporation's previous year**
10 **property tax rate after reducing the rate by the lesser of:**

11 (A) the absolute value of the STEP ONE result; or

12 (B) the sum of:

13 (i) twenty-five cents (\$0.25); plus

14 (ii) if the school corporation's adjustment factor is less than one (1), the STEP TWO result.

15 **STEP SIX: Determine the result of:**

16 (A) the STEP THREE (C), STEP FOUR, or STEP FIVE result, whichever applies; plus

17 (B) an amount equal to the annual decrease in federal aid to impacted areas from the year
18 preceding the ensuing calendar year by three (3) years to the year preceding the ensuing
19 calendar year by two (2) years.

20 The maximum levy is to include the portion of any excessive levy and the levy for new facilities.

21 (c) For purposes of this section, "total assessed value", as adjusted under subsection (d), with respect to a
22 school corporation means the total assessed value of all taxable property for ad valorem property taxes first due
23 and payable during that year.

24 (d) The state board of tax commissioners may adjust the total assessed value of a school corporation to
25 eliminate the effects of appeals and settlements arising from a statewide general reassessment of real property.

26 (e) The state board shall annually establish an assessment ratio **and adjustment factor** for each school
27 corporation to be used upon the review and recommendation of the budget committee. The information
28 compiled, including background documentation, may not be used in a:

29 (1) review of an assessment under IC 6-1.1-8, IC 6-1.1-13, IC 6-1.1-14, or IC 6-1.1-15;

30 (2) petition for a correction of error under IC 6-1.1-15-12; or

31 (3) petition for refund under IC 6-1.1-26.

32 (f) All tax rates shall be computed by rounding the rate to the nearest one-hundredth of a cent (\$0.0001).

33 **All tax levies shall be computed by rounding the levy to the nearest dollar amount.**

34 SECTION 59. IC 6-1.1-34-6 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 1999]: Sec.
35 6. (a) After the state board of tax commissioners calculates a new assessment ratio for a school corporation and
36 before publishing the new ratio, the board shall send a notice of the new assessment ratio to the county auditor,
37 the county assessor, and the governing body of the school corporation. The state board of tax commissioners
38 shall send these notices ~~on or before the second Tuesday in May~~ **March 2** of each year in which the board
39 calculates a new assessment ratio for the school corporation.

(b) Within thirty (30) days after notification of a new assessment ratio, the county auditor, the county assessor, or the governing body of the school corporation may:

(1) examine and verify the state board of tax commissioners' data; and

(2) make suggestions concerning the values established by the board.

(c) Before April 15 of each year in which the board calculates a new assessment ratio for the school corporation, the state board of tax commissioners shall publish the new assessment ratio.

SECTION 60. IC 6-1.1-34-7 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 1999]: Sec. 7. Each year in which the state board of tax commissioners computes a new assessment ratio for a school corporation, the board shall also compute a new adjustment factor for the school corporation. If the school corporation's assessment ratio for a year is more than ninety-nine percent (99%) but less than one hundred one percent (101%) of the state average assessment ratio for that year, the school corporation's adjustment factor is the number one (1). In all other cases, the school corporation's adjustment factor equals (1) the state average assessment ratio for a year, divided by (2) the school corporation's assessment ratio for that year. The state board of tax commissioners shall notify the school corporation of its new adjustment factor ~~on or before July 1st~~ **March 2** of the year in which the board calculates the new adjustment factor.

SECTION 61. IC 21-3-1.7-5 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2000]: Sec. 5. As used in this chapter, "tuition support levy" means with respect to a school corporation for a year the maximum general fund ad valorem property tax levy for the school corporation determined under IC 6-1.1-19-1.5 reduced by the following:

(1) An amount equal to the annual decrease in federal aid to impacted areas from the year preceding the ensuing calendar year by three (3) years to the year preceding the ensuing calendar year by two (2) years.

(2) The original amount of any excessive tax levy the school corporation imposed as a result of the passage, during the preceding year, of a referendum under ~~IC 6-1.1-19-4(c)(1)(bb)~~ or IC 6-1.1-19-4.5(c) for taxes first due and payable during the year.

(3) The portion of the maximum general fund levy for the year that equals the original amount of the levy imposed by the school corporation to cover the costs of opening a new school facility during the preceding year.

SECTION 62. IC 21-3-1.7-6.6 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2000]: Sec. 6.6. **(a)** For purposes of this chapter, a school corporation's "adjusted ~~current~~ ADM" **without a specified year** is the result determined under ~~STEP SEVEN of the following formula~~ **this section for funding for the current year. Whenever there is a reference to an adjusted ADM for a specified year, previous year, or following year, adjusted ADM is the ADM for the referenced year after the adjustments that were in effect for the referenced year under this section.**

~~STEP ONE: Determine the result of the school corporation's ADM for the previous year minus the school corporation's current ADM.~~

~~STEP TWO: Multiply the STEP ONE result by eight-tenths (0.8).~~

~~STEP THREE: Determine the greater of the following:~~

~~(A) The STEP TWO result.~~

~~(B) Zero (0).~~

1 **STEP FOUR:** Determine the greater of zero (0) or the result of the school corporation's ADM for the
 2 year preceding the current year by two (2) minus the school corporation's ADM for the previous year.

3 **STEP FIVE:** Multiply the STEP FOUR result by six-tenths (0.6).

4 **STEP SIX:** This STEP applies if the STEP TWO result is negative. Determine the greater of the
 5 following:

6 (A) The STEP FIVE result minus the absolute value of the STEP TWO result.

7 (B) Zero (0).

8 **STEP SEVEN:** Determine the sum of the following:

9 (A) The school corporation's current ADM.

10 (B) The result determined under STEP THREE.

11 (C) The result determined under:

12 (i) STEP SIX if applicable; or

13 (ii) STEP FIVE, if STEP SIX does not apply.

14 (b) This subsection applies only to a school corporation that has an ADM for the current year that
 15 is greater than the school corporation's ADM for 1999. The school corporation's adjusted ADM is its
 16 ADM for 1999 plus the result of the following:

17 **STEP ONE:** Determine the result of:

18 (A) the school corporation's ADM for the current year; minus

19 (B) the school corporation's ADM for 1999.

20 **STEP TWO:** If the STEP ONE result is:

21 (A) at least one hundred twenty (120), multiply the STEP ONE result by nine-tenths (0.9);

22 (B) at least twenty-five (25) and less than one hundred twenty (120), multiply the STEP ONE
 23 result by six-tenths (0.6); or

24 (C) less than twenty-five (25), multiply the STEP ONE result by one-tenth (0.1).

25 Round the result to the nearest five-tenths (0.5).

26 (c) This subsection does not apply to a school corporation that has had an increasing ADM every year
 27 since 1997. For purposes of this section, adjusted ADM for 2000 means the school corporation's ADM
 28 adjusted for any increases for 2000 under subsection (b). For 2000, a school corporation's adjusted ADM
 29 shall be increased using the following declining enrollment formula:

30 **STEP ONE:** Determine the greatest of the following:

31 (A) The school corporation's ADM for the year preceding the current year by two (2) years.

32 (B) The school corporation's ADM for the year preceding the current year by one (1) year.

33 (C) The school corporation's adjusted ADM for 2000.

34 **STEP TWO:** Determine the greater of zero (0) or the result of:

35 (A) the school corporation's ADM for the year preceding the current year by three (3) years;
 36 minus

37 (B) the STEP ONE amount.

38 **STEP THREE:** Determine the greater of the following:

39 (A) The school corporation's ADM for the year preceding the current year by one (1) year.

(B) The school corporation's adjusted ADM for 2000.

STEP FOUR: Determine the greater of zero (0) or the result of:

(A) the school corporation's ADM for the year preceding the current year by two (2) years;
minus

(B) the STEP THREE amount.

STEP FIVE: Determine the greater of zero (0) or the result of:

(A) the school corporation's ADM for the year preceding the current year by one (1) year;
minus

(B) the school corporation's adjusted ADM for 2000.

STEP SIX: Determine the sum of the following:

(A) The STEP TWO result multiplied by four-tenths (0.4).

(B) The STEP FOUR result multiplied by six-tenths (0.6).

(C) The STEP FIVE result multiplied by eight-tenths (0.8).

STEP SEVEN: Determine the result of:

(A) the school corporation's adjusted ADM for 2000; plus

(B) the STEP SIX result.

Round the result to the nearest five-tenths (0.5).

(d) This subsection does not apply to a school corporation that has had an increasing ADM every year for the previous four (4) years. For purposes of this section, adjusted ADM means the ADM determined under subsection (b) if that subsection applies, otherwise, adjusted ADM is the school corporation's actual ADM. Beginning in 2001, a school corporation's adjusted ADM shall be increased using the following declining enrollment formula:

STEP ONE: Determine the greatest of the following:

(A) The school corporation's ADM for the year preceding the current year by three (3) years.

(B) The school corporation's ADM for the year preceding the current year by two (2) years.

(C) The school corporation's adjusted ADM for the year preceding the current year by one (1) year.

(D) The school corporation's adjusted ADM for the current year.

STEP TWO: Determine the greater of zero (0) or the result of:

(A) the school corporation's ADM for the year preceding the current year by four (4) years;
minus

(B) the STEP ONE amount.

STEP THREE: Determine the greatest of the following:

(A) The school corporation's ADM for the year preceding the current year by two (2) years.

(B) The school corporation's adjusted ADM for the year preceding the current year by one (1) year.

(C) The school corporation's adjusted ADM for the current year.

STEP FOUR: Determine the greater of zero (0) or the result of:

(A) the school corporation's ADM for the year preceding the current year by three (3) years;

1 minus

2 (B) the STEP THREE amount.

3 **STEP FIVE: Determine the greater of the following:**

4 (A) The school corporation's adjusted ADM for the year preceding the current year by one (1)
5 year.

6 (B) The school corporation's adjusted ADM for the current year.

7 **STEP SIX: Determine the greater of zero (0) or the result of:**

8 (A) the school corporation's ADM for the year preceding the current year by two (2) years;
9 minus

10 (B) the STEP FIVE amount.

11 **STEP SEVEN: Determine the greater of zero (0) or the result of:**

12 (A) the school corporation's adjusted ADM for the year preceding the current year by one (1)
13 year; minus

14 (B) the school corporation's adjusted ADM for the current year.

15 **STEP EIGHT: Determine the sum of the following:**

16 (A) The STEP TWO result multiplied by two-tenths (0.2).

17 (B) The STEP FOUR result multiplied by four-tenths (0.4).

18 (C) The STEP SIX result multiplied by six-tenths (0.6).

19 (D) The STEP SEVEN result multiplied by eight-tenths (0.8).

20 **STEP NINE: Determine the result of:**

21 (A) the school corporation's adjusted ADM for the current year; plus

22 (B) the STEP EIGHT result.

23 Round the result to the nearest five-tenths (0.5).

24 SECTION 63. IC 21-3-1.7-6.7 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1,
25 2000]: Sec. 6.7. A school corporation's target revenue per ADM for a calendar year is the result determined
26 under STEP SIX of the following formula:

27 **STEP ONE: Determine the result under clause (D) of the following formula:**

28 (A) Divide the school corporation's at-risk index determined under IC 21-3-1.8-1.1 by three (3).

29 (B) Add one (1) to the clause (A) result.

30 (C) Multiply the result determined under clause (B) by ~~three thousand six hundred seventy-five~~
31 ~~dollars (\$3,675) in 1998 and three thousand eight hundred eighty-five dollars (\$3,885) in 1999; four~~
32 ~~thousand one hundred fourteen dollars (\$4,114) in 2000 and four thousand three hundred~~
33 ~~thirty-two dollars (\$4,332) in 2001.~~

34 (D) Multiply the clause (C) product by the school corporation's adjusted ~~current~~ ADM for the
35 ~~current year.~~

36 **STEP TWO: Divide the school corporation's previous year revenue by the school corporation's adjusted**
37 **ADM for the previous year.**

38 **STEP THREE: Multiply the sum of one (1) plus the school corporation's at-risk index by the following:**

39 (A) ~~One hundred dollars (\$100);~~ If the STEP TWO result is not more than:

(i) ~~three thousand seven hundred fifteen dollars (\$3,715) in 1998;~~ **four thousand one hundred one dollars (\$4,101) in 2000;** and

(ii) ~~three thousand eight hundred fifty-four dollars (\$3,854) in 1999;~~ **four thousand three hundred three dollars (\$4,303) in 2001;**

multiply by one hundred dollars (\$100).

(B) ~~The result determined under item (iv); If the STEP TWO result is: more than three thousand seven hundred fifteen dollars (\$3,715) in 1998 and three thousand eight hundred fifty-four dollars (\$3,854) in 1999 and not more than four thousand four hundred seventy-eight dollars (\$4,478) in 1998 and four thousand five hundred eight dollars (\$4,508) in 1999;~~

(i) **more than four thousand one hundred one dollars (\$4,101) and not more than four thousand eight hundred eighty-five dollars (\$4,885) in 2000; or**

(ii) **more than four thousand three hundred three dollars (\$4,303) and not more than five thousand one hundred seventeen dollars (\$5,117) in 2001;**

multiply by the result under clause (C).

~~Subtract three thousand seven hundred fifteen dollars (\$3,715) in 1998 and three thousand eight hundred fifty-four dollars (\$3,854) in 1999 from~~

(C) Determine the result of:

(i) ~~the STEP TWO result minus~~ **four thousand one hundred one dollars (\$4,101) in 2000 and four thousand three hundred three dollars (\$4,303) in 2001.**

(ii) ~~Divide the item (i) result by seven hundred sixty-three dollars (\$763) in 1998~~ **seven hundred eighty-four dollars (\$784) in 2000** ~~and six hundred fifty-four dollars (\$654) in 1999;~~ **eight hundred fourteen dollars (\$814) in 2001.**

(iii) ~~Multiply the item (ii) result by in 1998, thirty dollars (\$30) and, in 1999, thirty dollars (\$30).~~

(iv) ~~Subtract the item (iii) result from one hundred dollars (\$100).~~

~~(C) Seventy dollars (\$70);~~ **(D) If the STEP TWO result is more than:**

(i) ~~four thousand four hundred seventy-eight dollars (\$4,478) in 1998;~~ **four thousand eight hundred eighty-five dollars (\$4,885) in 2000; and**

(ii) ~~four thousand five hundred eight dollars (\$4,508) in 1999;~~ **five thousand one hundred seventeen dollars (\$5,117) in 2001;**

multiply by seventy dollars (\$70).

STEP FOUR: ~~Add the STEP TWO result and the STEP THREE result.~~

STEP FIVE: Determine the ~~greater~~ **greatest** of the following:

(A) ~~Multiply the STEP FOUR result by the school corporation's adjusted current ADM for the current year.~~

(B) **Multiply** the school corporation's previous year revenue **by one and three-hundredths (1.03).**

(C) The STEP ONE amount.

STEP SIX: ~~Divide the STEP FIVE amount by the school corporation's adjusted current ADM for the current year.~~

SECTION 69. IC 21-3-1.7-6.8 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1,

2000]: Sec. 6.8. A school corporation's target general fund property tax rate for purposes of IC 6-1.1-19-1.5 is the result determined under STEP THREE of the following formula:

STEP ONE: This STEP applies only if the amount determined in STEP FIVE of the formula in section 6.7 of this chapter minus the result determined in STEP ONE of the formula in section 6.7 of this chapter is greater than zero (0). Determine the result under clause (E) of the following formula:

(A) Divide the school corporation's current assessed valuation by the school corporation's current ADM.

(B) Divide the clause (A) result by ten thousand (10,000).

(C) Determine the greater of the following:

(i) The clause (B) result.

(ii) ~~Ten dollars (\$10) in 1998 and nine dollars and fifty cents (\$9.50) in 1999.~~ **Nine dollars (\$9).**

(D) Determine the result determined under item (ii) of the following formula:

(i) Subtract the result determined in STEP ONE of the formula in section 6.7 of this chapter from the amount determined in STEP FIVE of the formula in section 6.7 of this chapter.

(ii) Divide the item (i) result by the school corporation's current ADM.

(E) Divide the clause (D) result by the clause (C) result.

(F) Divide the clause (E) result by one hundred (100).

STEP TWO: This STEP applies only if the amount determined in STEP FIVE of the formula in section 6.7 of this chapter is equal to STEP ONE of the formula in section 6.7 of this chapter and the result of clause (A) is greater than zero (0). Determine the result under clause (G) of the following formula:

(A) Add the following:

(i) An amount equal to the annual decrease in federal aid to impacted areas from the year preceding the ensuing calendar year by three (3) years to the year preceding the ensuing calendar year by two (2) years.

(ii) The original amount of any excessive tax levy the school corporation imposed as a result of the passage, during the preceding year, of a referendum under IC 6-1.1-19-4.5(c) for taxes first due and payable during the year.

(iii) The portion of the maximum general fund levy for the year that equals the original amount of the levy imposed by the school corporation to cover the costs of opening a new school facility during the preceding year.

(B) Divide the clause (A) result by the school corporation's current ADM.

(C) Divide the school corporation's current assessed valuation by the school corporation's current ADM.

(D) Divide the clause (C) result by ten thousand (10,000).

(E) Determine the greater of the following:

(i) The clause (D) result.

(ii) ~~Ten dollars (\$10) in 1998 and nine dollars and fifty cents (\$9.50) in 1999.~~ **Nine dollars (\$9).**

(F) Divide the clause (B) result by the clause (E) amount.

(G) Divide **the** clause (F) result by one hundred (100).

STEP THREE: Determine the sum of: ~~in:~~

(A) ~~1998, two dollars and sixty-four cents (\$2.64);~~ **two dollars and sixty-eight and one-half cents (\$2.685) in 2000;** and

(B) ~~1999, two dollars and sixty-five cents (\$2.65);~~ two dollars and seventy-one **and one quarter** cents ~~(\$2.71)~~ **(\$2.7125)** in 2001;

if applicable, the STEP ONE or STEP TWO result.

SECTION 70. IC 21-3-1.7-7 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2000]:

Sec. 7. If a computation under this chapter results in a fraction **and a rounding rule is not specified**, the fraction shall be rounded ~~to~~ **as follows:**

(1) **If it is a tax rate calculation, to the nearest one-hundredth of a cent (\$0.0001).**

(2) **If it is a tuition support calculation, to the nearest cent (\$0.01).**

(3) **If it is a calculation not covered by subdivision (1) or (2), to the nearest ten-thousandth (.0001).**

or

~~(2) the nearest cent;~~

~~whichever is applicable.~~

SECTION 71. IC 21-3-1.7-8 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2000]:

Sec. 8. Notwithstanding IC 21-3-1.6 and subject to section 9 of this chapter, the state distribution for a calendar year for tuition support for basic programs for each school corporation equals the result determined using the following formula:

STEP ONE: Determine the greater of the following:

(A) The product of:

(i) the school corporation's target revenue per ADM; multiplied by

(ii) the school corporation's adjusted ~~current~~ **ADM for the current year.**

~~(B) The product of:~~

~~(i) the school corporation's previous year revenue; multiplied by~~

~~(ii) one and three-hundredths (1.03);~~

(B) For a school corporation that has target revenue per ADM for a calendar year that is equal to the IC 21-3-1.7-6.7 STEP ONE (C) amount, determine the sum of:

(i) the school corporation's target revenue per ADM multiplied by the school corporation's adjusted ADM for the current year; plus

(ii) the amount of the annual decrease in federal aid to impacted areas from the year preceding the ensuing calendar year by three (3) years to the year preceding the ensuing calendar year by two (2) years; plus

(iii) the original amount of an excessive tax levy the school corporation imposed as a result of the passage, during the preceding year, of a referendum under IC 6-1.1-19-4.5(c) for taxes first due and payable during the year; plus

(iv) the part of the maximum general fund levy for the year that equals the original amount of the levy imposed by the school corporation to cover the costs of opening a new school

1 **facility during the preceding year.**

2 STEP TWO: Determine the remainder of:

3 (A) the STEP ONE amount; minus

4 (B) the sum of:

5 (i) the school corporation's tuition support levy; plus

6 (ii) the school corporation's excise tax revenue for the year that precedes the current year by one

7 (1) year.

8 If the state tuition support determined for a school corporation under this section is negative, the school
9 corporation is not entitled to any state tuition support. In addition, the school corporation's maximum general
10 fund levy under IC 6-1.1-19-1.5 shall be reduced by the amount of the negative result.

11 SECTION 72. IC 21-3-1.7-9 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2000]:

12 Sec. 9. (a) Subject to the amount appropriated by the general assembly for tuition support, the amount that a
13 school corporation is entitled to receive in tuition support for a year is the amount determined in section 8 of this
14 chapter.

15 (b) If the total amount to be distributed as tuition support under this chapter, for enrollment adjustment
16 grants under section 9.5 of this chapter, for at-risk programs under section 9.7 of this chapter, for academic
17 honors diploma awards under section 9.8 of this chapter, and as special and vocational education grants under
18 IC 21-3-1.8-3 or IC 21-3-10 for a particular year, exceeds:

19 ~~(1) two billion six hundred fourteen million eight hundred thousand dollars (\$2,614,800,000) for 1997;~~

20 ~~(2) two billion seven hundred seventy-one million six hundred thousand dollars (\$2,771,600,000) in~~
21 ~~1998; and~~

22 ~~(3) (1) two billion nine hundred thirty-nine million two hundred thousand dollars (\$2,939,200,000) in~~
23 ~~1999;~~

24 **(2) three billion one hundred fifty-nine million, eight hundred thousand dollars (\$3,159,800,000)**
25 **in 2000; and**

26 **(3) three billion three hundred forty-six million two hundred thousand dollars (\$3,346,200,000)**
27 **in 2001;**

28 the amount to be distributed for tuition support under this chapter to each school corporation during each of the
29 last six (6) months of the year shall be reduced by the same dollar amount per ADM (as adjusted by
30 IC 21-3-1.6-1.1) so that the total reductions equal the amount of the excess.

31 SECTION 73. IC 21-3-1.7-9.5 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 1999
32 (RETROACTIVE)]: Sec. 9.5. (a) In addition to the distribution under sections 8, 9.7, and 9.8 of this chapter, a
33 school corporation is eligible for an enrollment adjustment grant if the school corporation's:

34 (1) current ADM minus the school corporation's previous year ADM is at least two hundred fifty (250);

35 or

36 (2) current ADM divided by the school corporation's previous year ADM is at least one and
37 five-hundredths (1.05).

38 (b) The amount of the enrollment adjustment grant is the amount determined in STEP THREE of the
39 following formula:

STEP ONE: Determine the school corporation's target revenue per ADM divided by three (3).

STEP TWO: Determine the result of the school corporation's current ADM minus ~~in 1998~~, the school corporation's previous year ADM.

STEP THREE: Multiply the STEP ONE result by the STEP TWO result.

SECTION 74. IC 21-3-1.7-9.7 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2000]: Sec. 9.7. In addition to the distributions under sections 8, 9.5, and 9.8 of this chapter for 1997 and thereafter, a school corporation is eligible for an amount for at-risk programs in the amount determined in STEP SIX of the following formula:

~~STEP~~ STEP ONE: Determine the greater of the following:

(A) The result determined under item (ii) of the following formula:

(i) Determine the result of the school corporation's at-risk index minus two-tenths (0.2).

(ii) Multiply the item (i) result by seven-hundredths (0.07).

(B) Zero (0).

STEP TWO: Determine the greater of the following:

(A) The result determined under item (ii) of the following formula:

(i) Determine the result of the school corporation's at-risk index minus fifteen-hundredths (0.15).

(ii) Multiply the item (i) result by eighteen-hundredths (0.18).

(B) Zero (0).

STEP THREE: Add the STEP ONE result and the STEP TWO result.

STEP FOUR: Multiply the STEP THREE sum by the school corporation's current ADM. Round the result to the nearest one-hundredth (0.01).

STEP FIVE: Multiply the STEP FOUR product by ~~two thousand nine hundred fifty dollars (\$2,950) in 1998 and three thousand one hundred thirty-five dollars (\$3,135) in 1999:~~ **three thousand six hundred seventy dollars (\$3,670) in 2000 and three thousand nine hundred ninety dollars (\$3,990) in 2001."**

Renumber all SECTIONS consecutively.

(Reference is to EHB 1001 as printed March 26, 1999.)

Senator SIPES